

Program Assessment Rating Tool (PART)



Office of Management and Budget

March 2004

TODAY'S AGENDA

- **Introduction and Overview of PART Process**
 - Guidance / Reassessments
 - Timeline
 - Questions and Answers
- **The Tool**
 - Focus on Guidance Changes between FY 2005 and FY 2006
 - Walk through of PART Worksheet
 - PART Mechanics
- Questions and Answers

President's Management Agenda

“Government should be results-oriented – guided not by process but guided by performance. There comes a time when every program must be judged either a success or a failure. Where we find success, we should repeat it, share it, and make it the standard. And where we find failure, we must call it by its name. Government action that fails in its purpose must be reformed or ended.”

Governor George W. Bush
Philadelphia
June 9, 2000

Introduction and Overview

- The PART is a component of the President's Management Agenda that focuses on Budget and Performance Integration.
- The PART builds on the GPRA Strategic Goal Framework.
- The PART promotes efforts to achieve immediate, concrete, and measurable results.

What is the Program Assessment Rating Tool (PART)?

- A set of questions that evaluates program performance in four critical areas:
 - Program Purpose and Design
 - Strategic Planning
 - Program Management
 - Program Results and Accountability
- A tool to assess performance using evidence.
- Provides a consistent approach to evaluating programs across the Federal government.
- How is the PART used in budget decisions?

The PART & Congress

- The Budget and Agency Congressional Budget Justifications highlight PART findings and recommendations.
 - Measures and targets are included in these documents.
- OMB and EPA have recently testified about the PART.
- GAO found that PART stimulated agency interest in budget and performance integration.
- Thoughts on the Future.

Program Assessment Rating Tool (PART) and Guidance

- No questions or key features were changed from the FY 2005 PART.
- Guidance for some questions changed based on comments from agencies, outside organizations, and others.
- FY 2006 PART is roughly 25 questions
 - Yes/No with explanations and evidence
 - Section IV: small extent – large extent with explanations and evidence
 - Weighting to emphasize key program factors
- Completed by agency program staff and OMB examiners using Guidance

PART Guidance Changes

- Expanded guidance on performance measures, including definitions of efficiency measures.
- Clarification of the relationship between PART and GPRA
- Clarification of standards for rigorous evidence
- Further guidance on combining programs

PART Guidance

Role of PART Guidance

- Will help provide consistency
- Explains purpose of question
- Explains what is required for a “Yes”
- What type of Evidence/Data
- Will answer most of your questions about the PART.
- **www.omb.gov/part**

New PARTS & Reassessments

- This is the third year of the PART.
- 20 percent of its programs this year, or at least 60 percent of its programs over the past 3 years.
- Reassessments should focus on PARTS with Results Not Demonstrated (RND).
- Agencies must provide substantial evidence of improvement to reassess. Any reassessments must be done using the 2006 guidance and worksheet.

FY 2006 PART Timeline

- Early March OMB consults with agencies to identify programs for analysis.
- March 22 OMB distributes revised PART Guidance and FY 2006 PART Workbook
- March 23-31 Program Assessment Rating Tool Training
OMB and Agencies Start work on PARTs
- April 30 First draft of PARTs due to OMB
- May -- early June PART discussions between agencies and OMB
- June 7 PARTs available for consistency check
- by June 22 Complete consistency check and revise PARTs
- June 23-30 PART Agency Appeals to OMB
- June 30 PARTs complete. (up to a one month extension but not for RND)
- August 2 All PARTs, including those with extensions, complete and database closed.
- Nov. -- early Dec. Update PARTs, for limited reasons, if necessary.
- See OMB Budget Data Request 04-31

Program Combinations and Crosscuts

Combining Programs into Single PART

- Programs are too interdependent to review separately.
- Considerations and requirements for combining programs.

Crosscuts (internal or inter-agency)

- Similar purposes and goals.
- Opportunities for better coordination among programs.
- Common measures of performance.

- **Questions
and Answers**



FOCUS ON GUIDANCE CHANGES IN FY 2006 PART



Striving for Good Performance

PERFORMANCE MEASURES

What remains the same?

- Focus on outcomes
- Need for an efficiency measure
- Linkages between questions

PERFORMANCE MEASURES

Improvements to Guidance

- Better definitions of outcomes and outputs
- Definition and role of efficiency
- Clearer examples
- Links to other resources
 - Performance Measurement Challenges and Strategies
 - Examples of Performance Measures

PERFORMANCE MEASURES

Outputs – The internal activities of a program (i.e., the products and services delivered). *What does the program do to achieve its goal or purpose?*

Outcomes – The events or conditions external to the program and of direct importance to the public/beneficiary. *What is the program's goal or purpose?*

PERFORMANCE MEASURES

Outputs	Outcomes
Number of housing units rehabilitated.	Increases in equity (property value) of rehabilitated houses for low-income families as a result of targeted assistance.
Number of businesses assisted through loans and training.	Percent of businesses that remain viable 3 years after assistance.
Number of people served by water/sewer projects.	Increased percent of people with access to clean drinking water.
Number of acres of agricultural lands with conservation plans.	Percent improvement in soil quality; dollars saved in flood mitigation.

PERFORMANCE MEASURES

Efficiency measures:

- demonstrate the ability of a program to implement activities and achieve results, without wasting resources (e.g., time, effort, money).
- are usually expressed as a ratio of inputs to outputs/outcomes.

PERFORMANCE MEASURES

- Efficiency measures should:
 - indicate how well the program performs;
 - be useful and relevant to the program purpose;
 - ideally capture improvements in program *outcomes* for a given level of resource use; and
 - consider the benefit to the customer.
- Leveraging is not a measure of efficiency.

PERFORMANCE MEASURES

Efficiency measures in the PART

- An efficiency measure is required to get a Yes on Question 2.3. The measure may be under development.
- Efficiency measures may be used as evidence for Questions 3.4 and 4.3.

Research and Development Assessments

Guidance Changes



Research and Development

- What Stays the Same in R&D Assessments
 - All questions remain same.
 - Used primarily for R&D programs that aren't expected to lead to Capital Asset acquisitions (may want to use Capital Assets PART in that case)
 - Process indicators sometimes allowable (e.g., basic research)
 - Uses selected questions used by Competitive Grants and Capital Assets PARTs.

Research and Development

- Changes to R&D Assessments
 - Clarifies that can use R&D PART when program uses transactions other than grants. Also clarifies “beneficiary” and “reach”.
 - Clarifies that R&D programs should be overwhelmingly competitive awards.

Research and Development

- Issue: Can we use R&D PART when program uses transactions other than grants?
- How Resolved:
 - R&D questions refer to grants, contracts, cooperative agreements and other transactions (OTs for DoD, from 10 USC 2371) (Ref: Introduction, Questions 1.5, 3.CO2, 3.CO3)
 - Clarified Beneficiary and Reach (Ref: Question 1.5)
- Significance:
 - Makes clear that all of the relevant R&D PART questions refer to all types of funding awards.

Research and Development

- Issue: Some agencies have in-house R&D programs. Do they satisfy the competitive awards requirement in 3.CO1?
- How Resolved:
 - Clarified that R&D programs should be overwhelmingly competitive awards, except for some tightly defined in-house work (should be adequately justified). (Ref. 3.CO1)
- Significance:
 - Well-justified in-house programs are not inconsistent with a YES.

Capital Assets & Service Acquisition Assessments

Guidance Changes



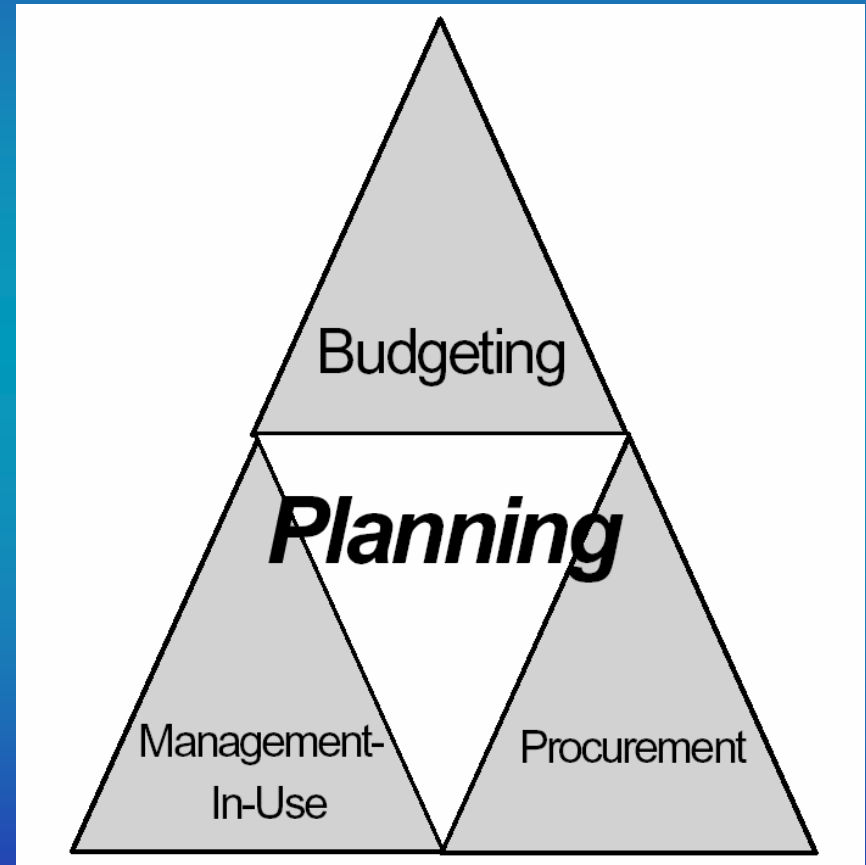
Capital Assets & Service Acquisition

- What stays the same in capital assets and service acquisition assessments

Section 2: Strategic Planning	<i>2.CA1: Has the agency/program conducted a recent, meaningful, credible analysis of alternatives that includes trade-offs between cost, schedule, risk, and performance goals and used the results to guide the resulting activity?</i>
Section 3: Program Management	<i>3.CA1: Is the program managed by maintaining clearly defined deliverables, capability/performance characteristics, and appropriate, credible cost and schedule goals?</i>
Section 4: Results/Accountability	<i>4.CA1: Were program goals achieved within budgeted costs and established schedules?</i>

Capital Assets & Service Acquisition

- Further alignment of PART guidance with OMB Circular A-11 Part 7, particularly the principles of the *Capital Programming Guide*.



Capital Assets & Service Acquisition

PART Guidance Alignment with OMB Circular A-11 Part 7

PART Section	Circular A-11 Part 7	PART Responses
<u>Purpose & Design</u> Clarity of purpose and soundness of program design.	Appropriate program design includes implemented processes consistent with <i>Capital Programming Guide</i> principles.	The program is supported by an adequate capital asset management infrastructure devoted to capital programming.

Capital Assets & Service Acquisition

PART Guidance Alignment with OMB Circular A-11 Part 7

PART Section	Circular A-11 Part 7	PART Responses
<u>Strategic Planning</u> Program planning, priority setting, and resource allocation.	The Planning Phase The Budgeting Phase	There is strategy and plan for feasible, coherent, effective, efficient implementation, use and disposal of capital assets.

Capital Assets & Service Acquisition

PART Guidance Alignment with OMB Circular A-11 Part 7

PART Section	Circular A-11 Part 7	PART Responses
<p><u>Program Management</u></p> <p>Program is effectively managed to meet performance goals.</p>	<p>The Budgeting Phase</p> <p>The Procurement Phase</p> <p>The Management-In-Use Phase</p>	<p><i>Includes, but not limited to, the use of sound, performance-based acquisition and program/project management practices, e.g. earned value management. Includes, but not limited to, ensuring capital assets are procured to achieve planned performance within cost and schedule baselines.</i></p>

Capital Assets & Service Acquisition

PART Guidance Alignment with OMB Circular A-11 Part 7

PART Section	Circular A-11 Part 7	PART Responses
<u>Results and Accountability</u> Program is meeting its long-term and annual performance goals.	The Procurement Phase The Management-In-Use Phase	Program/acquisition goals achieved within budgeted cost and established schedule.

Clarifying Standards for Evaluating Effectiveness

Rigorous Evidence

Guidance Changes



Clarifying Standards for Evaluating Effectiveness

- Better defined “scope” and “independence” of evaluations
 - **Scope** - evaluations should examine the underlying cause and effect relationship between the program and achievement of performance targets.
 - **Independence** - non-biased parties with no conflict of interest should conduct the evaluations. (TBD by agencies and OMB examiners)

Clarifying Standards for Evaluating Effectiveness

- Added new guidance on “quality” of evaluations
 - **Applicability** - Expect that all programs will undergo some type of evaluation.
 - **Impact** – Prefer that effectiveness evaluations consider a program’s impact (outcome, e.g., whether the Federal intervention makes a difference).
 - **Rigor** - Evaluations must provide the most rigorous evidence that is appropriate and feasible for that program.

Clarifying Standards for Evaluating Effectiveness

- Can a program demonstrate impact?
 - **If Yes** - randomized controlled trials are generally the highest quality, unbiased evaluation to demonstrate actual impact, but only when it is appropriate and feasible to conduct such studies.
 - **If No** - a variety of quasi-experimental methods (e.g., comparison group studies) and non-experimental methods may help shed light on *how* or *why* a program is effective.
 - **Bottom line** - Evaluations must be appropriate to the type of program.

Regulatory Issues

Guidance Changes



Regulatory Questions

- What Stays the Same:
 - All questions
 - Guidance for questions 3.RG1, 3.RG2, 3.RG4
- Changes from FY 2005:
 - Few changes
 - Clarified association of 2.RG1, 3.RG3, 4.RG1
 - Differentiated thresholds of evidence required

PART Tool By Section



PART Workbook Mechanics



Using the PART Workbook

- Technical Instructions - Read this tab
 - More explanation and technical tips
- Contact Info - New
- PART Q's & Section Scoring
 - Pop-up guidance
 - Question weighting - Section must add to 100%
 - Question links
- Measures – Most technical changes on this tab
 - Comments in column header include instructions
 - Shading means don't type there
 - Enter Measure # to unshade relevant cells in the row
 - Red scare - Do not cut & paste
- General – Changes made to minimize upload problems.
- Budget data - Instructions for collecting will be in A-11.

THREE THINGS TO REMEMBER

- The PART process is a collaborative program assessment.
- The Guidance will answer almost all your PART questions; READ IT.
- Good performance measures are at the heart of the PART.

